(b) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Amendments to the SEBI (Foreign Institutional Investors) Regulations 1995 have been announced by SEBI, as a follow up of policy announced by Government during the Budget Speech of 1996-97. These amendments provide, interalia, for an increase in portfolio investment limit for individual FIIs from 5% to 10% of the paid up capital of a company. No change however has been made in the existing aggregate investment limit of 24% for all FIIs/NRIs/OCBs in any company.

Border Trade with Bangladesh

4585. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indo-Bangladesh trade logjam at Dawki continues;

(b) if so, the reasons therefor; and

(c) the measures taken or are being taken in consultation with the Bangladesh Government to revive border trade between the two countries, as envisaged under the famous Indira-Mujib Pact of March, 1972?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) No, Sir.

(b) Does not arise.

(c) Government have taken up the proposal for resumption of border trade with Bangladesh Government on several occasions. No progress has been made because of lack of a positive response.

System of Promotion

4586. DR. T. SUBBARAMI REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether World Bank has advised India to abandon the system of promotion of civil servants according to the seniority and adopt the South Korean system of promoting Government Officials on the basis of merit;

(b) if so, whether any concrete suggestions in this regard have been received from the World Bank;

(c) if so, whether the Government have agreed to implement those suggestions; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) to (d). Do not arise.

Growth Rate of Industrial Production

4587. SHRI SONTOSH MOHAN DEV: Will the Minister of INDUSTRY be pleased to state:

(a) whether an analysis of Indian industrial production shows that annual average growth rate during 1991-92 to 1995-96 at Growth Production Centres was below the 8.4 per cent achieved during 1986-87 to 1990-91;

(b) if so, whether the figure is lower than the annual average growth rate of industrial production of 7.8 per cent;

(c) if so, the reasons therefor; and

(d) the steps taken by the Government to remedy the situation in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b)). The annual average growth rate of industrial production during 1986-87 to 1990-91 and during 1991-92 to 1995-96 were 8.4% and 6% respectively.

(c) and (d). The overall industrial growth during 1991-93 was constrained because the balance of payment crisis of 1991 necessitated an import squeeze and the tight monetary policy pursued to contain inflation affected both availability and cost of funds. Industrial production recorded a higher annual growth of 9.4% in 1994-95 and 12% in 1995-96. This increase in the rate is due to a number of factors such as cumulative effect of reform in the industrial and other sectors, continuing buoyancy in the growth of export and increased demand for industrial products due to increased incomes.

Rise in Credit Demand

4588. SHRI MADHAVRAO SCINDIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has recently cautioned the banking sector on rising credit demand and deregulation of interest rates in the context of limited availability of funds;

(b) if so, the details thereof; and

(c) the reaction of the banking sector thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c). Reserve Bank of India (RBI) has reported that at present banking system has adequate resources to meet all genuine demands for credit. Aggregate deposits for scheduled commercial banks have risen by Rs. 14,862.00 crore (3.4 per cent) so far during the current financial year (March 29, 1996 to August 2, 1996) as compared

with a decline of Rs. 2,390 crore (0.6 per cent) recorded in the comparable period of 1995-96.

The interest rate structure prescribed by RBI to scheduled commercial banks has been deregulated considerably. Banks are now free to determine the term deposits rates for maturities over one year they offer to the public. Similarly, for credit limits over Rs. 2.00 lakh, banks are free to determine their own lending rates. While fixing their deposit and lending rates, banks take into account the cost and likely return on deployment of funds. To guard against banks offering/charging unduly high rates, they have been cautioned to ensure that the interest rates they prescribe need to be sustainable. Also, prescription of prudential norms relating to income recognition, capital adequacy and provisioning is a major safeguard in the matter of sustainability of the interest rates offered/ charged by banks.

[Translation]

Notional Dumps in BCCL

4589. PROF. RITA VERMA: Will the Minister of COAL be pleased to state:

(a) the number of Notional Dumps in the collieries of B.C.C.L.;

(b) the locations thereof and the expenditure incurred thereon;

(c) the difference between the centralised coal dump and Notional coal dump and utility thereof, separately;

(d) the amount of dump charge collected per ton on the coal sold from Notional coal dumps; and

(e) the quantum of coal sold from the Notional coal dumps of B.C.C.L. and the dump charge collected in lieu thereof during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) and (b). As reported by Coal India Limited (CIL), 15 Notional Coal Dumps are located in the collieries of Bharat Coking Coal Limited (BCCL). They are located as follows:-

Sl. No.	Name of Notional Coal Dump	Locations
1.	Damoda Satelite Stockyards	Barora Area
2.	Muraidih Satelite Stockyards	Barora area
3.	JOCP Satelite Stockyards	Block-II Area
4.	Nudkhurkee Satelite Stockyard	Block-II Area
5.	Benidih Satelite Stockyard	Block-II Area
6.	Akashkinari Satelite Stockyard	Govindpur Area
7.	Govindpur/Block-IV Satelite Stockyards	Govindpur Area
8.	Sendra Bansjora Satelite Stockyards	Sijua area
9.	Tetulmari CHP Satelite Stockyards	Sijua Area
10.	Nichitpur Satelite Stockyards	Sijua Area
11.	Bastacolla Satelite Stockyards	Bastacolla Area
12.	Dabari Satelite Stockyards	Bastacolla Area
13.	Kuya Satelite Stockyards	Bastacolla Area
14.	Bera Satelite Stockyards	Bastacolla Area
15.	Jeennagora Satelite Stockyards	Lodna Area

Coal India Limited have reported that the properties and staff of these dumps belong to collieries to which such dumps are attached. As such there is no separate booking of such expenditure incurred on these dumps.

(c) Central coal dumps function as a separate unit with its own independent staff, equipment and other facilities.

Notional Coal Dumps are on the other hand attached to the collieries, and separate establishment and other large facilities are not provided. The staff, equipment and other facilities of the collieries are utilised for Notional Dumps also.

The dump charges were fixed at Rs. 43/- per tonne for the period between 13.1.92 to 31.12.95 which was later enhanced to Rs. 80/- per tonne with effect from 1.1.96

(e) The quantity of coal sold through the Notional Dumps in BCCL and the amount collected as dump charges during the last three years were as under:-

	Quantity sold through Notional Dump (In tonnes)	Amount collected (Rs. in lakhs)
1994	9,44,649	453.43
1995	13,37,105	641.81
1996 (upto August)	8,54,677	683.74